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NEWS RELEASE

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Promoter Admits Fraud in Mortgage Kiosk Investment Scheme

Investors were told their money would fund kiosks to offer mortgage loans . . .

SALT LAKE CITY, Utah – Antonius “Tony” M. Versteeg, of Salt Lake today admitted violating the securities laws when he solicited investors for a mortgage investment scheme in 2002. The admissions were made in connection with a consent order entered by the Division of Securities.

The order finds that Versteeg was corporate secretary for American Mortgage Alliance, Inc. when he solicited investments in American Mortgage. He told investors their money would be used to run the company, which would generate leads for mortgage loans and mortgage refinancing loans from kiosks placed in shopping malls. He told investors they would earn 20% return and that their investment had no risk and was 100% guaranteed. When an investor said he did not have money to invest, Versteeg drove him to a bank to arrange a second mortgage on his home. Versteeg then persuaded the investor’s parents to invest.

Versteeg failed to tell the investors that Michael Fain, another manager at American Mortgage, had previously been convicted of criminal securities fraud and had filed for bankruptcy. Versteeg did not disclose that he had several judgments entered against him and that the corporate status of American Mortgage had expired the year before. Investors were not told the true financial condition of the company and the risks of making the investment.

The Division initiated this proceeding on June 6, 2007 against Versteeg, American Mortgage, two other companies and two other managers of those companies. Default orders have previously been entered against the three companies and Michael Fain. Proceedings are pending against Daron W. LeBlanc. In May 2007, Versteeg, LeBlanc, and Fain were charged with criminal misconduct by the Utah Attorney General’s Office. They have all pleaded guilty and have agreed to pay restitution. Versteeg has paid restitution to the investors he solicited.

In the order, Versteeg admits that he made false statements when soliciting investors, including claims the investments had no risk, that investors would receive 20% return, the company planned to expand its operations into Las Vegas, and that the principals of American Mortgage had all invested their own money in the company. He admitted that the securities were not registered and he was not licensed to sell securities. He agreed to cease and desist from any further violations of the securities laws and to pay a fine.